

**BEFORE THE
CALIFORNIA BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

RAYMOND LEROY MATHIASSEN
3800 Vista Linda Drive
Encino, CA 91316

Certified Public Accountant License No. 14425

Respondent.

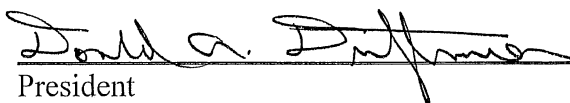
Case No.AC-2008-9

DECISION AND ORDER

The attached Stipulated Revocation of License and Order is hereby adopted by the California Board of Accountancy of the Department of Consumer Affairs, as its Decision in the above-entitled matter.

This Decision shall become effective on 09-01-2008.

It is so ORDERED on 08-01-2008.



President

For The CALIFORNIA BOARD OF ACCOUNTANCY
CALIFORNIA DEPARTMENT OF CONSUMER AFFAIRS

1 EDMUND G. BROWN JR., Attorney General
of the State of California
2 KAREN B. CHAPPELLE
Supervising Deputy Attorney General
3 WILLIAM R. TAYLOR, State Bar No. 222455
Deputy Attorney General
4 300 So. Spring Street, Suite 1702
Los Angeles, CA. 90013
5 Telephone: (213) 897-8764
Facsimile: (213) 897-2804
6

7 Attorneys for Complainant

8 **BEFORE THE**
CALIFORNIA BOARD OF ACCOUNTANCY
9 **DEPARTMENT OF CONSUMER AFFAIRS**
STATE OF CALIFORNIA

10 In the Matter of the Accusation Against:

Case No. AC-2008-9

11 RAYMOND LEROY MATHIASSEN
12 3800 Vista Linda Drive
Encino, CA 91316

OAH No.

**STIPULATED REVOCATION OF
LICENSE AND ORDER**

13 Certified Public Accountant License No. 14425

14 Respondent.
15

16
17 IT IS HEREBY STIPULATED AND AGREED by and between the parties in this
18 proceeding that the following matters are true:

19 PARTIES

20 1. Carol Sigmann (Complainant) is the Executive Officer of the California
21 Board of Accountancy. She has brought this action solely in her official capacity and is
22 represented in this matter by Edmund G. Brown Jr., Attorney General of the State of California,
23 by William R. Taylor, Deputy Attorney General.

24 2. On or about March 28, 1969, the California Board of Accountancy issued
25 Certified Public Accountant License No. 14425 to Raymond Leroy Mathiasen (Respondent).
26 The license was in full force and effect at all times relevant to the charges brought herein and will
27 expire on July 1, 2009, unless renewed.

28 ///

JURISDICTION

3. Accusation No. AC-2008-9 was filed before the California Board of Accountancy, and is currently pending against Respondent. The Accusation and all other statutorily required documents were properly served on Respondent on March 14, 2008. Respondent timely filed his Notice of Defense contesting the Accusation. A copy of Accusation No. AC-2008-9 is attached as Exhibit A and incorporated herein by reference.

ADVISEMENT AND WAIVERS

4. Respondent is fully aware of his legal rights in this matter, including the right to a hearing on the charges and allegations in the Accusation; the right to be represented by counsel, at his own expense; the right to confront and cross-examine the witnesses against him; the right to present evidence and to testify on his own behalf; the right to the issuance of subpoenas to compel the attendance of witnesses and the production of documents; the right to reconsideration and court review of an adverse decision; and all other rights accorded by the California Administrative Procedure Act and other applicable laws.

5. Respondent has carefully read and understands the charges and allegations in the Accusation. Respondent understands the effects of this Stipulated Revocation of License and Order.

6. Respondent voluntarily, knowingly, and intelligently waives and gives up each and every right set forth above.

CULPABILITY

7. Respondent admits the truth of each and every charge and allegation in Accusation No. AC-2008-9, agrees that cause exists for discipline and hereby stipulates to a revocation of his Certified Public Accountant License No. 14425 for the Board's formal acceptance.

8. Respondent acknowledges that the reasonable costs of investigation and prosecution in this matter are \$3,678.43.

9. Respondent understands that by signing this stipulation he enables the order imposing revocation of his Certified Public Accountant License without further process.

CONTINGENCY

10. The parties understand and agree that facsimile copies of this Stipulated Revocation of License and Order, including facsimile signatures thereto, shall have the same force and effect as the originals.

11. In consideration of the foregoing admissions and stipulations, the parties agree that the California Board of Accountancy may, without further notice or formal proceeding, issue and enter the following Order:

ORDER

IT IS HEREBY ORDERED that Certified Public Accountant License No. 14425, issued to Respondent Raymond Leroy Mathiasen is revoked and accepted by the California Board of Accountancy.

12. The revocation of Respondent's Certified Public Accountant License and the acceptance of the revoked license by the Board shall constitute the imposition of discipline against Respondent. This stipulation constitutes a record of the discipline and shall become a part of Respondent's license history with the Board.

13. Respondent shall lose all rights and privileges as a Certified Public Accountant in California as of the effective date of the Board's Decision and Order.

14. Respondent shall cause to be delivered to the Board both his wall and pocket license certificate on or before the effective date of the Decision and Order.

15. Respondent understands and agrees that if he ever applies for re-licensure or reinstatement of his license in the State of California, the Board shall treat it as a new application for licensure. Respondent must comply with all the laws, regulations and procedures for licensure in effect at the time the application or petition is filed, and all of the charges and allegations contained in Accusation No. AC-2008-9 shall be deemed to be true, correct and admitted by Respondent when the Board determines whether to grant or deny the application or petition.

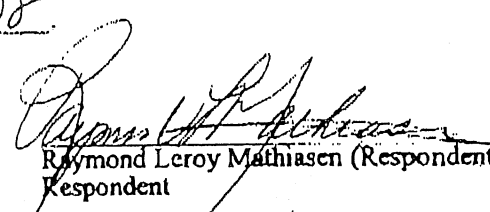
16. Respondent further understands and agrees that if he ever applies for re-licensure or reinstatement of his license in the State of California, he may be required to comply

1 with any condition that the Board may impose including but not limited to payment of \$3,678.43
2 in reasonable costs for the investigation and prosecution of this matter.

3 ACCEPTANCE

4 I have carefully read and understand the charges and allegations in the
5 Accusation. I understand the effect of this Stipulated Revocation of License and Order, and enter
6 into it voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order
7 of the California Board of Accountancy.

8 DATED: May 27, 2008

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10 
11 Raymond Leroy Mathiasen (Respondent)
Respondent

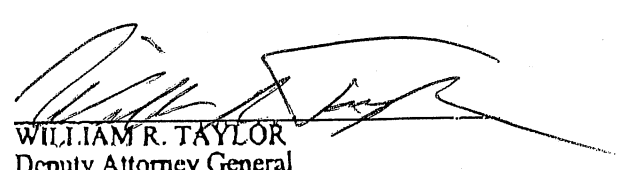
12 ENDORSEMENT

13 The foregoing Stipulated Revocation of License and Order is hereby respectfully
14 submitted for consideration by the California Board of Accountancy.

15 DATED: May 29, 2008

16 EDMUND G. BROWN JR., Attorney General
of the State of California

17 KAREN B. CHAPPELLE
18 Supervising Deputy Attorney General

19
20 
21 WILLIAM R. TAYLOR
22 Deputy Attorney General

23 Attorneys for Complainant

24 DOJ Matter ID LA2008600140
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EXHIBIT "A"

EDMUND G. BROWN JR., Attorney General
of the State of California
KAREN B. CHAPPELLE
Supervising Deputy Attorney General
WILLIAM R. TAYLOR, State Bar No. 222455
Deputy Attorney General
300 So. Spring Street, Suite 1702
Los Angeles, CA 90013
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Attorneys for Complainant

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In the Matter of the Accusation Against:

RAYMOND LEROY MATHIASSEN
3800 Vista Linda Drive
Encino, CA 91316

Certified Public Accountant License No. 14425

Respondent.

Case No. AC-2008-9

ACCUSATION

Complainant alleges:

PARTIES

1. Carol Sigmann ("Complainant") brings this Accusation solely in her official capacity as the Executive Officer of the California Board of Accountancy ("Board").

2. On or about March 28, 1969, the Board issued Certified Public Accountant License Number 14425 to Raymond Leroy Mathiasen ("Respondent"). The license was continuously renewed without continuing education (inactive status) at all times relevant to the charges brought herein against Respondent. The license will expire on July 1, 2009, unless renewed.

JURISDICTION

3. This Accusation is brought before the Board, under the authority of the following laws. All section references are to the Business and Professions Code unless

1 otherwise indicated.

2 4. Section 5063 states, in pertinent part:

3 "(a) A licensee shall report to the board in writing of the occurrence of any of the
4 following events . . . within 30 days of the date the licensee has knowledge of these events:

5

6 "(3) The cancellation, revocation, or suspension of the right to practice as a
7 certified public accountant or a public accountant before any governmental body or agency."

8

9 "(b) A licensee shall report to the board in writing the occurrence of any of the
10 following events occurring on or after January 1, 2003, within 30 days of the date the licensee
11 has knowledge of the events:

12

13 "(3) Any notice of the opening or initiation of a formal investigation of the
14 licensee by the Securities and Exchange Commission or its designee."

15 5. Section 5100 states:

16 "After notice and hearing the board may revoke, suspend, or refuse to renew any
17 permit or certificate granted under Article 4 (commencing with Section 5070) and Article 5
18 (commencing with Section 5080), or may censure the holder of that permit or certificate for
19 unprofessional conduct that includes, but is not limited to, one or any combination of the
20 following causes:

21 "(h) Suspension or revocation of the right to practice before any governmental
22 body or agency.

23 "(i) The imposition of any discipline, penalty, or sanction on a registered public
24 accounting firm or any associated person of such firm, or both, or on any other holder of a
25 permit, certificate, license, or other authority to practice in this state, by the Public Company
26 Accounting Oversight Board or the United States Securities and Exchange Commission, or their
27 designees under the Sarbanes-Oxley Act of 2002 or other federal legislation."

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1 6. Section 5107(a) of the Code states:

2 "The executive officer of the board may request the administrative law judge, as
3 part of the proposed decision in a disciplinary proceeding, to direct any holder of a permit or
4 certificate found to have committed a violation or violations of this chapter to pay to the board
5 all reasonable costs of investigation and prosecution of the case, including, but not limited to,
6 attorneys' fees. The board shall not recover costs incurred at the administrative hearing."

7 FIRST CAUSE FOR DISCIPLINE

8 (Suspension From Practice Before the Securities and Exchange Commission)

9 7. Respondent is subject to disciplinary action on the grounds of
10 unprofessional conduct pursuant to section 5100, subdivisions (h) and (l), by reason of the
11 following:

12 a. On or about June 8, 2007, the Securities and Exchange Commission
13 ("Commission") issued an order suspending Respondent Mathiasen from practicing before the
14 Commission as an accountant. The order was made pursuant to Rule 102(e)(3)(i) of the
15 Commission's Rules of Practice, and it became effective immediately. The facts and
16 circumstances are as follows:

17 b. On or about April 2, 2007, the Commission filed a complaint against
18 Respondent in SEC v. Tenet Healthcare Corp., et al, in the United States District Court for the
19 Central District of California ("Court"), alleging that while serving as the Chief Accounting
20 Officer ("CAO") for Tenet Healthcare ("Tenet"), Respondent Mathiasen participated in a
21 fraudulent scheme, in which (i) Tenet made misleading disclosures in the Form 10-K that it filed
22 with the Commission for its 2002 fiscal year ending May 31, 2002 and in the Form 10-Q that it
23 filed with the Commission for Tenet's first quarter of its fiscal year 2003 ending August 30,
24 2002; (ii) Respondent Mathiasen signed each filing and substantially participated in the
25 preparation of these filings; (iii) Respondent Mathiasen knew, or was reckless in not knowing,
26 that each filing was misleading because it failed to disclose the material impact that Tenet's
27 increases in gross charges was having on the company's Medicare outlier revenue, and thereby
28 on its earnings; (iv) Respondent Mathiasen authorized improper manual adjustments to Tenet's

1 contractual allowance reserve accounts from fiscal year 2000 through fiscal year 2003, in
2 violation of Generally Accepted Accounting Principles. As a result of Respondent's conduct,
3 Tenet had to restate its financial statements from fiscal year 2002 through fiscal year 2004.

4 c. On or about April 16, 2007, the Court entered a Final Judgment of
5 Permanent Injunction and Other Relief against Respondent Mathiasen ("Judgment"), which (i)
6 permanently enjoined Respondent from future violations of Section 17(a) of the Securities Act of
7 1933 ("Securities Act") and Section 10(b) of the Securities Exchange Act of 1934 ("Exchange
8 Act"), and Rules 10b-5 and 13b2-1 thereunder, and aiding and abetting violations of Sections
9 13(a) and 13(b)(2)(A) of the Exchange Act of the Exchange Act, and Rules 12b-20, 13a-1, and
10 13a-13 promulgated thereunder; (ii) ordered Respondent Mathiasen to pay \$1 in disgorgement
11 and a \$240,000 civil penalty; and (iii) prohibited Respondent Mathiasen from acting as an officer
12 or director of any issuer that has a class of securities registered pursuant to Section 12 of the
13 Exchange Act, or that is required to file reports pursuant to Section 15(d) of the Exchange Act
14 for a period of five years. Respondent Mathiasen consented to the entry of the Judgment without
15 admitting or denying any of the allegations in the complaint.

16 SECOND CAUSE FOR DISCIPLINE

17 (Reportable Event)

18 8. Respondent is subject to disciplinary action under section 5063,
19 subdivisions (a)(3) and (b)(3), in that Respondent Mathiasen failed to report to the Board within
20 the 30-day reporting period that (i) the Commission had opened a formal investigation against
21 him and caused a complaint to be filed against him in the Court; and (ii) the Commission issued
22 an order suspending Respondent Mathiasen from practicing before the Commission, as more
23 fully set forth in paragraph 7, above.

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1 PRAYER

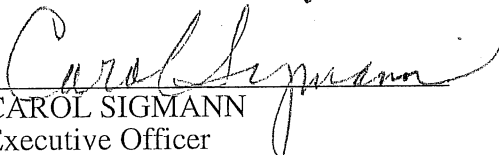
2 WHEREFORE, Complainant requests that a hearing be held on the matters herein
3 alleged, and that following the hearing, the California Board of Accountancy issue a decision:

4 1. Revoking or suspending or otherwise imposing discipline upon Certified
5 Public Accountant License Number 14425, issued to Raymond Leroy Mathiasen.

6 2. Ordering Raymond Leroy Mathiasen to pay the California Board of
7 Accountancy the reasonable costs of the investigation and enforcement of this case, pursuant to
8 Business and Professions Code section 5107;

9 3. Taking such other and further action as deemed necessary and proper.

10
11 DATED: March 6, 2008

12
13 
14 CAROL SIGMANN
15 Executive Officer
16 California Board of Accountancy
17 State of California
18 Complainant

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